

# 1

## Introduction

COPYRIGHTED MATERIAL  
<http://www.pbookshop.com>

<http://www.pbookshop.com>

**Y**ou can't have strategy without leadership. They are inseparable. Sure, you can create a sound strategic plan, but to do something meaningful with it requires bold leadership. Having a great vision and setting a clear direction for the team lies at the very heart of leadership, and organizations that are filled with leaders who think and act strategically will be more successful than businesses with precious few leaders of this type—there's just no question about it.

So much value is lost for customers, owners, and employees when leaders fail to prepare for the future and take a role in actively shaping it. In our training, coaching, and consulting practice, we see a lot of leaders who are pretty good. But many of these leaders are so consumed by meeting the day-to-day demands of their businesses that they miss opportunities and overlook threats that are on the horizon. When we work inside organizations and coach leaders to become more proactive, we often run into managers who have good intentions but are consistently pulled back into a reactionary, problem-solving mode. No matter what they do, they can't seem to escape this vicious cycle and get ahead of the curve. We like how Warren Bennis describes it in *Why Leaders Can't Lead*: "Routine work drives out non-routine work and smothers to death all creative planning" (1989, p. 15). In *The Leadership Challenge*, Kouzes and Posner build on this idea by saying that the critical issue for leaders isn't whether they should have routines, but which routines they should have. The interesting thing is that some of the fires and problems consuming these leaders likely would have been averted completely—or at least managed more effectively—if they had used a little bit of foresight. Think about it. How many times have you heard leaders, even great ones, say, "If I had just thought ahead," or "Wow, that really caught me off guard," or "I just didn't see that opportunity coming," or "If only I had anticipated that, I could have been more proactive."

## So, What Is It?

At this point, you may be wondering what, exactly, strategic leadership is. In our view, strategic leadership is a solution to the common leadership problems we just described. It's encompassed by two main things:

1. Fulfilling your regular leadership responsibilities in a proactive, forward-thinking way.
2. Incorporating a specific collection of qualities and characteristics into your leadership style as you lead your team and execute strategic objectives and plans.

There are only a few differences between normal, day-to-day leadership and strategic leadership, but they are big, and they are distinctive. The differences we've discovered all center around the way leadership principles are applied. Not only are strategic leaders concerned about fulfilling today's expectations, they also care deeply about defining and focusing on a future agenda that hones in on the few things that really matter. Defining a long-term vision for your team helps you allocate scarce resources wisely and channel the collective effort of the team. This prepares you to seize opportunities, head off threats, and achieve better results down the road. Remember, thinking, planning, and acting strategically shouldn't ever be considered solely a responsibility of senior leadership. All leaders, at all levels, are responsible for envisioning what they want in the future. They help their team members see the long-term vision clearly and create a plan for what we call their Business-within-the-Business. They do this by finding ways to create and leverage new sources of competitive advantage and unique, value-added offerings for their customers.

## **Why Does It Matter?**

Why should you be a strategic leader? The reasons are pretty simple, actually. We have worked with numerous organizations around the world that need to elevate the performance of their leaders in order to maintain competitive advantage. Most use a leadership-competency model to clarify key leadership expectations. Over the years, we have noticed a shift in the requirements organizations have for their leaders in terms of their competencies. The evolution of these expectations and requirements is driven by many things, including technology, markets, competitors, social and economic variables, and the extraordinary quantity of changes facing organizations. This doesn't mean that what you've learned about leadership in the past no longer applies. What it does mean is that there are some fresh, new ideas that need to be considered and incorporated into your current understanding of effective leadership. This allows you to use and build on what you already know about leadership, but also broadens the notion of what makes a leader great in leading-edge organizations. In order to stay competitive, organizations need to be adaptive, creative, and move at an accelerated pace. What this means is that leadership as a practice must change, too.

One of the most-significant changes we have seen is that organizations now expect their leaders to be much more forward-thinking and proactive than they ever have before. We've also observed that there are a handful of important characteristics that differentiate strategic leaders from leaders of other types. In fact, nearly all of our clients have a leadership-competency model with a dimension that addresses the ability to think and act strategically. Just take a look at some of the examples below.

These revealing leadership expectations, which were taken from real organizations, leave no room for confusion about the necessity of strategic leadership today.

### ***Sample Leadership-Competency Models***

#### **Organization 1**

*Thinks and acts strategically*

- Sees the big picture
- Ensures alignment with overall strategies
- Understands long-term priorities
- Recognizes emerging patterns and trends
- Creates a compelling vision
- Courageously drives change
- Thinks creatively
- Is insightful and sees things from a new angle
- Is willing to experiment
- Anticipates customer needs

#### **Organization 2**

*Leading growth: Makes strategic decisions*

- Makes decisions to drive long-term success
- Considers the future in making decisions
- Translates strategy into practical steps for execution
- Uses strategy to set and explain priorities
- Seeks innovative ways to contribute to the growth of the business

#### **Organization 3**

*Acts strategically*

- Is future-focused and sees the big picture, business trends, and implications
- Is a source of fresh perspectives and challenges “the way it has always been done” objections

## Organization 4

### *Thinks and acts strategically*

- Thinks about future trends and consequences, which highlight opportunities to take action and shape the organization's future
- Seeks to understand the business's strategic direction
- Identifies and articulates a compelling strategy and strategic vision for the future
- Demonstrates a big-picture view of the business
- Anticipates future business trends accurately, and responds quickly and effectively
- Identifies new business processes that are key to future success

Clearly, many organizations feel the need to have more long-term, proactive thinking occurring among leaders at all levels of their businesses. From what we've seen, it's evident that most leaders work hard to make their teams and organizations better, but many are so focused on the short-term, day-to-day routines, and on fighting fires, that they neglect to work on long-term priorities. Our aim in this book is to familiarize you with the fundamental characteristics and qualities that are necessary for you to be successful with the strategic-leadership expectations—explicit or not—that your organization has of you.

Knowing what it will take for you to win over the long haul and having goals and strategies to pursue is critically important—but that's not all that matters. Strategic leaders take it one step farther. They actively engage and leverage the organization's pool of talent not only to achieve short-term results, but to work *with* them to set a direction that will produce long-term results and create a secure and prosperous future for everyone.

Sometimes leaders have a hard time understanding why they can't get better traction with important changes that need to be made, critical business plans, or long-term initiatives. Remarkable effort goes into creating goals, plans, and strategies. Most of the

time, the strategy or plans aren't the problem; it's the lack of strategic leadership that's the bottleneck. Simply put, the thing that is missing most often is the leadership necessary to translate strategic ideas into reality. Leaders must have the personal qualities and discipline necessary to push the implementation of these important priorities through to completion.

Everywhere we go there is an intense appetite for insights into the makeup of a proactive, strategic leader and how to develop those capabilities. People are grasping for practical solutions to these challenges. Business leaders want to know how to lead their teams strategically while keeping things practical and down to earth. Don't get us wrong: We know that high-level strategy matters, but so does integrating a strategic mindset into the heart of the organization and enrolling leaders at all levels in creating strategic plans for their parts of the business. That said, we also recognize that leaders can't work in a strategic mode all the time and that balancing the urgent demands of today with the important priorities that sustain long-term advancement is a daunting task. But what leaders can constantly do is look at everything they do through a proactive lens. That's the key. The qualities and underlying principles of strategic leadership need to act as your frame of reference. They will guide your pattern of leadership behaviors and thoughts, and those matter a lot when it comes to making a difference in the organization. People who have combined their leadership style with strategic ideas and plans are far more likely to achieve the results they desire because it is a person's fundamental behaviors and frame of mind that brings strategy, goals, and plans to life.

The future speeds toward us with greater velocity, more complexity, and greater uncertainty, but we still have a choice in how we respond to these challenges: We can either be driven by the forces of change or we can choose to be proactive and drive. Being a driver means taking some risks, running some experiments, anticipating and preparing for eventualities, and offering innovative solutions.



Strategy, at any level, seeks an answer to one basic question: How do you add value, introduce new services, and not just embrace best practices but actually invent the next practices that will ensure you remain relevant in your business environment?

The simple truth is that the future won't be any different from the way things are now if you and your team continue to do the same things in the same way. If the internal rate of change doesn't exceed the external rate of change, you will lose the race. To win, you and your organization need to anticipate what's coming and invest in the future now. Strategic leaders go to work every day—thinking, planning, and acting on challenges and opportunities that lie ahead—because they care about the future and know they can play an important role in creating it.

## **How You Can Use It**

What makes strategic leaders stand out from the crowd? To illustrate their unique qualities, it's crucial to see them in action, so we will share with you the story of Alex, a bright leader about to tackle the greatest challenge of his career: charting an exciting new direction for his team in a highly competitive industry. As he interacts with his six department heads, you will observe the inner workings of his mind and get acquainted with the core qualities and characteristics of strategic leadership up close and personal. Each member of Alex's team possesses a unique talent, and over time, Alex is able to harness these special competencies and guide his part of the business to a better place. The twists and turns, intrigue, and drama will pull you through, and you'll relate to the story's recognizable situations and characters.

The people and dilemmas you will read about are based on the practical, strategic challenges managers face in a demanding business environment. Following each narrative section of Alex's story, we discuss concepts and suggestions that are directly applicable

to leaders seeking solutions in their quest for long-term success. As you'll discover, when the right mindset and approaches are combined with clear plans and strategic direction, the outcomes are remarkable.

Throughout this book, we will explore the seven essential qualities of strategic leaders, the attributes that have the greatest impact on setting a direction and helping the organization change. The sections analyzing those qualities will help you assess your own strategic-leadership strengths and areas that you'll want to cultivate. By using what you learn, developing new capabilities, and applying strategic approaches to your unique situation, you will be better prepared to respond to business challenges, leverage new opportunities, and excel in your role.

One final note: We have structured the book so it will reward two types of readers: those who read from the first chapter to the last and those who scan the contents and zero in on the aspects of strategic leadership they find most interesting, challenging, or urgent. We know your time is precious and we want to put it to good use.

Let's hit the road!